

STATE OF MISSOURI

2004

FLEET MANAGEMENT ANNUAL REPORT



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Commissioner of Administration

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Executive Summary

Missouri's State Fleet Management Program completed its second year in 2004 and continues to build a solid foundation for the future of fleet management in the State of Missouri. Section 37.450 RSMo. requires the State Fleet Manager to produce an annual report outlining the status of the state vehicle fleet and recommend changes needed to improve fleet management within the state. This report includes details of progress made in 2004, the current state of the vehicle fleet, and fleet management goals for 2005. A history of prior fleet management initiatives from 1997 – 2003 is included for reference purposes as Appendix A.

State Fleet Management is assigned to the Office of Administration, Division of General Services. The program provides the following benefits:

- Serves as a resource for state agencies
- Coordinates statewide fleet management activities
- Monitors agency compliance with the State Vehicle Policy
- Administers the State Fleet Information System
- Pre-approves passenger vehicle purchases
- Reports the status of the state vehicle fleet annually to the Governor and the General Assembly

Missouri state agencies independently manage their vehicles in accordance with state statutes and the State Vehicle Policy. The Office of Administration develops policies with the assistance of agency fleet managers.

In 2004, State Fleet Management accomplished a number of achievements including:

- Reduced the number of underutilized passenger vehicles
- Expanded state agency compliance with the State Vehicle Policy
- Completed a fleet condition assessment and presented vehicle replacement needs, along with financing options to the Office of Administration, Division of Budget and Planning
- Researched options to save on contracted vehicle maintenance services
- Researched options to increase residual values of state vehicles
- Completed a review of all reportable commuting assignments
- Initiated a request for proposal for a new fleet fuel card contract

Program goals for 2005 include implementation of vehicle maintenance and fleet fuel card contracts, continued review of agency compliance with the minimum utilization requirements in the State Vehicle Policy, review utilization of function specific vehicles, further analysis and refinement of state vehicle data, and exploration of other fleet efficiency options.

State Fleet Management

State Fleet Management is assigned to the Office of Administration, Division of General Services. The program is staffed by one employee, the State Fleet Manager, who coordinates all aspects of the program.

Program expenses are funded through a state vehicle fleet fee provided under Section 37.450 RSMo. This per vehicle fee is charged annually to state agencies to recover the costs of funding the State Fleet Information System and other expenses incurred in the management of the state fleet. For more information on the fleet fee see page 12.

Agency Fleet Managers

The Fleet Management Advisory Committee (FleetMAC) is comprised of representatives from state agencies who provide valuable input into decisions affecting fleet management within the state. Agency fleet managers serve as a single point of contact between the State Fleet Manager and their respective agency on all fleet related issues.

Agency fleet managers are listed below:

Agriculture.....	Alan Clements
Attorney General's Office.....	Arlene Boessen
Auditor's Office.....	Mark Henley
Conservation.....	James Gerling
Corrections.....	Joan Hays
Economic Development.....	Steve Waters
Elementary & Secondary Education.....	Rich Villmer
Governor's Office.....	Jeannie Walton
Health & Senior Services.....	Kevin Kolb
Higher Education.....	Janelle Jaegers
Insurance.....	Shirley Gerling
Labor & Industrial Relations.....	Doug Stephan
Mental Health.....	Mike Haake
Missouri Lottery.....	Rick Petty
Missouri State Highway Patrol.....	Larry Rains
Natural Resources.....	Stan Perkins
Office of Administration.....	Cynthia Dixon
Public Safety.....	Rhonda Fogelbach
Revenue.....	Brenda Binkley
Secretary of State.....	Jerri Snodgrass
Social Services.....	Al Gage
State Courts Administrator.....	Donna Melcher
State Tax Commission.....	Stacey Jacobs
Transportation.....	Jeannie Wilson
Treasurer's Office.....	Nancy Tennison

A. 2004 Program Update

GOALS OVERVIEW

State Fleet Management made significant progress in implementing the 2004 goals outlined in the 2003 Annual Report. The goals are listed below. The progress made on each goal is discussed in detail on pages 1-10.

2004 Goals

1. Reduce the number of underutilized vehicles by 25%
2. Analyze various fleet financing options
3. Analyze potential for savings through contracted vehicle maintenance services
4. Explore options to increase residual value of state vehicles sold through State Surplus Property
5. Improve fleet efficiency by completing a review of all reportable commuting assignments and assist agencies in making the most cost effective vehicle assignments within their fleet

A. 2004 Program Update

FLEET REDUCTION

GOAL 1: Reduce the number of underutilized vehicles by 25%.

Fleet Reduction Efforts Continued in 2004

State agencies reduced 115 underutilized vehicles. The table to the right illustrates the reductions taken by each agency.

Review of Vehicles Driven Less Than 5,000 Annual Miles Continues

The Fleet Management Program identified vehicles driven less than 5,000 miles in FY'04. Each agency reviewed the data, determined its accuracy, reassigned or eliminated vehicles where possible, and/or submitted written justification to State Fleet Management for any vehicle the agency determined was necessary to retain.

Agency	Vehicles Reduced
Agriculture	1
Corrections	15
Elementary & Secondary Education	4
Health & Senior Services	2
Mental Health	55
Natural Resources	2
Office of Administration	16
OSCA	2
Public Safety	8
Revenue	2
Social Services	6
Lottery	2
TOTAL	115

2005 Review of Task Specific Vehicles

In 2005, State Fleet Management will analyze new data that is now available as a result of a recent State Fleet Management System upgrade. The system upgrade further classified vehicles assigned to dedicated tasks and provides better information to analyze the utilization of such vehicles. State Fleet Management will report the findings of this analysis to the Commissioner of Administration.

A. 2004 Program Update

FLEET FINANCING OPTIONS

GOAL 2: Analyze fleet financing options

In August 2004, State Fleet Management reported the condition of the General Revenue funded state passenger vehicle fleet to OA/Budget and Planning. Also included in this analysis were fleet financing options and estimated replacement costs. Information on the condition of the state fleet can be found on page 20.

State Fleet Management researched the costs and benefits of the following fleet financing options:

- State Ownership
- Municipal Leasing
- Closed End Leases
- Short Term Rentals
- Mileage Reimbursement

State Ownership Is The Least Costly Acquisition Option

Research conducted by State Fleet Management indicates state vehicle ownership is the least costly option at approximately \$.206 per mile to own and operate a typical state-owned sedan. This cost is inclusive of estimated depreciation based on the minimum replacement criteria established in the State Vehicle Policy, actual fuel, maintenance and repair expenses reported through the State Fleet Information System, liability insurance and the state fleet fee. Actual costs vary for each vehicle. Additionally, the state's cost may be less than \$.206 per mile in some circumstances if the vehicle is driven over the 105,000 mile minimum replacement threshold. Vehicles disposed of through State Surplus Property are driven on average approximately 121,000 miles.

Other administrative expenses incurred in the management of the fleet are not included but are estimated at approximately \$.015 per mile. For more information on how the state's cost per mile is calculated, see page 24.

	Cost Per Mile
State Vehicle (FY'04)	\$.206
Municipal Lease¹	\$.216 - \$.218
Closed End Lease²	\$.30 - .34
Mileage Reimbursement (FY'05)	\$.345

¹ Based on the State's cost per mile plus interest quoted from Ford Motor Credit Company. \$.216 per mile is based on a 3 year lease at 3.65% APR. \$.218 per mile is based on a 4 year lease at 3.95% APR (Quote: 11/8/04).

² Based on a recent quote from Enterprise (01/2005) that includes 15,000 miles a year for 4 types of mid and full size sedans.

A. 2004 Program Update

FLEET FINANCING OPTIONS

Municipal Leasing

Municipal leasing is a viable option utilized by government entities (including the Missouri Department of Transportation) for funding essential equipment purchases. Benefits of municipal leasing include:

- Reduced up front capital costs, annual payments made for 3-4 year terms
- No long term debt obligation for the state
- Rates are tax exempt making it more cost effective than closed end lease programs
- No mileage or wear and tear restrictions
- Vehicle is titled and licensed to the State of Missouri during the lease term
- Vehicle is retained by the state at end of lease
- Maintenance and vehicle repair are the responsibility of the state

Closed End Leases

State Fleet Management estimates the cost for a closed end lease at approximately \$.30 -.34 per mile based on a recent quote from Enterprise for a 15,000 mile per year, 48 month term lease. A recent MoDOT contract with Enterprise cost approximately \$.35 per mile for a sedan.

Closed end leasing, while more costly than municipal leasing or state ownership, is cheaper than the upcoming FY'06 state mileage reimbursement rate of \$.375 per mile. This option may be viable if the state does not have capital available to purchase vehicles. The features of closed end leasing are:

- Established for a specific term
- Annual mileage limits
- Overage mileage charges at end of lease term billed at approximately \$.10 per mile
- Vehicle is returned to lessor at term end
- Abnormal wear and tear charges may apply
- Leasing plan can include all maintenance for an extra charge
- Insurance (in the event the state is responsible for damages) is available for an extra charge
- Vehicles can be licensed to the State of Missouri during the lease term

A. 2004 Program Update

FLEET FINANCING OPTIONS

Short Term Rentals

In 2003, the state awarded a mandatory use rental services contract with Enterprise Rent-a-Car that offers fixed daily and weekly rates with unlimited miles for daily in-state trips. Short-term daily rentals can be cost effective in certain circumstances, depending on the number of rental days and round trip miles.

Mileage Reimbursement

It is in the state's best interest to take a proactive approach in managing mileage reimbursement expenditures. In FY'04, a total of \$13,492,165³ was expended for employee mileage reimbursement, which accounts for approximately 20% of the total business miles driven by state employees. Mileage reimbursement is the most costly per mile travel option and therefore state agencies should utilize state vehicles or short-term rentals whenever possible. State Fleet Management will continue to explore other less costly travel options and present these to the Commissioner of Administration to reduce mileage reimbursement expenses.

	Mileage Reimbursement Data⁴			
	(State Employees Only)			
	FY'03	FY'04	FY'05	FY'06
Reimbursement Rate	\$.335	\$.33	\$.345	\$.375
Expenditures	\$14.4 M	\$13.5 M	\$14.1 M (Proj)	\$15.3 M (Proj)
Miles Reimbursed	43 M	41 M		

³ The Commissioner of Administration establishes state mileage reimbursement rates annually effective on July 1 of each year pursuant to Section 33.095 RSMo. 1 CSR 10-11.010 states: "The State mileage allowance rate represents full compensation for the cost of operating your vehicle."

⁴ FY'03 and FY'04 data are based on SAM II mileage reimbursement expenditures for state employees only. Miles reimbursed was calculated by dividing total expenditures by the appropriate state reimbursement rate for each fiscal year. FY'05 and FY'06 were projected based on FY'04 actual expenditures.

A. 2004 Program Update

FLEET FINANCING OPTIONS

Trip Optimizer Available to Reduce Travel Costs

To assist agencies in determining the most cost effective travel option, State Fleet Management developed and maintains a *Trip Optimizer* tool on the State Fleet Management website at: <http://www.oa.mo.gov/gs/fm/traveloptions.htm>. The *Trip Optimizer* allows agencies to enter the number of trip days and round trip miles and then the most cost effective travel option between a state vehicle, rental vehicle and mileage reimbursement is displayed.

Below is an illustration of the *Trip Optimizer*. Amtrak costs and schedules are also included as an option for state agencies.

Trip Optimizer

<i>Enter Trip Information Here</i>		
Round Trip Miles	268	
Total Trip Days	1	
Enter Reduced Mileage Rate (if appropriate)		
<i>Trip Cost by Sedan Category</i>		
	<i>Mid Size</i>	<i>Full Size</i>
Enterprise Rental (fuel included)	\$50.03	\$54.83
State Vehicle	\$50.61	\$54.42
Mileage Reimbursement	\$92.46	\$92.46
<i>Lowest Cost Transportation:</i>	Rental	State Vehicle
<i>Next Lowest Cost:</i>	State Vehicle	Rental

A. 2004 Program Update

MAINTENANCE SAVINGS

GOAL 3: Analyze potential for savings through contracted vehicle maintenance services

State Fleet Management is currently drafting proposals for statewide maintenance and repair service contract(s). Research of other state fleet programs found a variety of options utilized to help manage the cost of maintenance and repair services. To supplement the services performed by state owned facilities, some states have established their own contracts while others have contracted with a national fleet management company that provides access to a national network of vendors at pre-negotiated discounted rates. These companies charge monthly fees of approximately \$3-5 per vehicle for their services.

State Fleet Management and agency fleet managers met with two national fleet management companies to discuss services. There was limited interest in these services because of the monthly per vehicle fee.

A statewide vehicle maintenance contract could provide preventative maintenance and repair services for vehicles stationed outside of Jefferson City. Currently, some agencies perform these services internally, but often private commercial vendors are used which fails to capitalize on the full purchasing power of all state agencies.

In 2005, State Fleet Management will present a draft RFP to OA/Purchasing and agency fleet managers to initiate a statewide vehicle maintenance contract.

A. 2004 Program Update***INCREASE RESIDUAL VALUE OF STATE VEHICLES******GOAL 4: Explore options to increase residual value of state vehicles***

Chapter 34 RSMo requires most state vehicles to be disposed of through State Surplus Property. State Fleet Management has explored the following options to increase residual value of state vehicles.

1) Detail vehicles prior to auction. The state could perform minor detailing work prior to the sale, as well as make other minor repairs, if investing a minimal amount of expense would yield a higher return. State Fleet Management reviewed the Department of Conservation (MDC) approach to vehicle auctions. All MDC vehicles are detailed prior to the auction by MDC maintenance facilities or outside vendors. MDC also provides maintenance and repair records to potential bidders.

2) Utilize private auction houses. The Missouri Department of Transportation (MoDOT) utilizes three different private vehicle auction houses across the state with relatively low administrative expenses.

State vehicles disposed of through State Surplus Property⁵ average approximately 121,000 miles; therefore, the state's most likely option to increase residual values is by reducing the administrative expenses associated with vehicle disposals. In 2005, State Fleet Management will compare residual values and administrative expenses of vehicles auctioned through State Surplus Property, MDC and private auction houses. Once this information is obtained final recommendations will be presented to the Commissioner of Administration.

⁵ The following agencies do not go through State Surplus Property to dispose of vehicles: Conservation, MoDOT and the Missouri State Highway Patrol

A. 2004 Program Update

FLEET EFFICIENCIES

GOAL 5: Improve fleet efficiency by completing a review of all reportable commuting assignments and assist agencies in making the most cost effective vehicle assignments within their fleet.

State Fleet Management completed the first review of reportable commuting assignments as required by the State Vehicle Policy (SP-4), revised February 1, 2004. Reportable commuting applies to those individuals required to report the personal use of state vehicles for tax purposes. Pursuant to the February 1, 2004 policy, all persons in a reportable commuting status must be recommended for approval by a department director or agency head and subsequently approved by the State Fleet Manager.

The following table illustrates the status of each agency's reportable commuting assignments for the calendar year 2004.

The Departments of Transportation and Conservation have not submitted reportable commuting assignments to State Fleet Management for approval. MoDOT has delegated this authority to its district engineers. Conservation will also not request approval because the agency believes the Conservation Commission is the final authority in decisions affecting the agency. (See State Vehicle Policy Compliance section on page 13 for more information.)

REPORTABLE COMMUTING ASSIGNMENTS		
Agency	Approved	Not Approved
Attorney General's Office	1	
Conservation		65
Corrections	8	
Health & Senior Services	1	
Gaming Commission ⁶		5
Lottery	6	
Mental Health	2	
Natural Resources	1	
Public Safety	3	
Social Services	13	
Transportation		120
TOTAL	35	190

Reportable commuting assignments will be reviewed annually at the beginning of each calendar year.

⁶ The five commuting assignments for the Gaming Commission are under review at the time of this report. The Gaming Commission initially did not submit Reportable Commuting Authorization Forms to SFM. SFM was recently notified of the commuting assignments and requested forms from the Commission.

A. 2004 Program Update
OTHER ACCOMPLISHMENTS***Rebid State Fleet Fuel Card Contract***

State Fleet Management, along with OA/Purchasing drafted a request for proposal to explore opportunities for savings. Proposals are currently being evaluated.

Upgraded State Fleet Information System

On June 1, 2004 the State Fleet Information System was upgraded to further classify vehicles assigned to dedicated tasks. This change will provide better information to analyze the utilization of such vehicles.

Promoted Use of the Trip Optimizer

The State Fleet Manager promoted use of the *Trip Optimizer* with the Statewide Purchasing Committee, FMAC (Financial Management Advisory Committee), and agency fleet managers.

B. Agency Fleet Compliance

FLEET MANAGEMENT STATUTE COMPLIANCE

Section 37.450 RSMo authorizes the Commissioner of Administration to issue policies governing the acquisition, assignment, use, replacement and maintenance of state-owned vehicles. The State Vehicle Policy (SP-4) promulgates these policies. State Fleet Management monitors agency compliance with the Fleet Management Statute (Appendix B) and the State Vehicle Policy (Appendix C). A report of agency compliance follows.

Reporting of State Vehicle Data

As required under Section 37.450 RSMo (3)⁷ the State Fleet Information system was implemented on July 1, 2003. Agencies were notified on February 6, 2003 that they would have a month after system implementation (July 31, 2003) to enter FY'03 data for each vehicle into the system.⁸ Agencies are required to submit vehicle data in a format and frequency requested by the State Fleet Manager. A majority of agencies met this deadline, but the following agencies have not yet provided the requested FY'03 or FY'04 data.

- Department of Transportation
- Department of Conservation
- Missouri State Highway Patrol

The Department of Conservation and the Missouri State Highway Patrol are in the process of implementing new fleet information systems. Once their systems are implemented, they have indicated they will provide detailed vehicle data through an interface with the State Fleet Information System.

The Missouri Department of Transportation has its own internally developed fleet tracking system. MoDOT has yet to begin writing interface programs to provide their data to State Fleet Management. MoDOT has indicated that they should be able to begin work on the interface in 2005.

Without detailed vehicle data, State Fleet Management is unable to confirm agency compliance with minimum utilization standards outlined in the State Vehicle Policy (SP-4).

⁷ Section 37.450 RSMo. (3) The fleet manager shall institute and supervise a state fleet vehicle tracking system in which the cost of owning and operating each state vehicle is documented by the agency owning the vehicle. All state agencies shall report the purchase and the sale of any vehicle to the fleet manager and provide any additional information requested by the fleet manager in the format, manner and frequency determined by the office of administration....

⁸ Agencies were asked to submit vehicle acquisitions, fuel, maintenance, repair and miles driven for each vehicle in operation during the fiscal year.

B. Agency Fleet Compliance

FLEET MANAGEMENT STATUTE COMPLIANCE

State Vehicle Fleet Fee

The fleet management statute⁹ requires each state agency to pay a state vehicle fleet fee, as determined by the Office of Administration, for each vehicle it owns. Agencies were invoiced in July 2004 for fleet management services for FY'05. Fee assessments are issued in July, based on the number of active vehicles shown in the State Fleet Information System as of June 30th each year.

The purpose of the fee is to fund the Fleet Information System and other administrative expenses incurred in management of the state fleet. Since the Office of Administration developed the State Fleet Information System in-house, agencies are not billed for system development or ongoing system support costs as part of the fee. Only administrative costs including the State Fleet Manager's salary, associated fringe benefit expenses and some minor expense and equipment were billed to agencies for FY'05. The FY'05 rate for the state fleet fee was \$8.00 per licensed active vehicle.

Vehicle counts as of June 30, 2004 were used to calculate each agency's total fee. Since the Departments of Transportation, Conservation and the Missouri State Highway Patrol have fleets in excess of 1,000 vehicles, their fleet fee invoice was reduced to \$4.00 per vehicle as allowed by statute.

Agencies that have not paid their state fleet fee for FY'04 and FY'05 to date are:

- Department of Transportation
- Department of Conservation

The Department of Transportation refused to pay the state fleet fee. The Department of Transportation believes a full credit of the fee should apply, and refused to authorize agency funds to pay for services which they believe are redundant to those provided by their own agency.

The Department of Conservation has not paid the fleet fee and questioned the benefit the department would receive from State Fleet Management. The Office of Administration responded to Conservation's concerns but has not received indication the agency plans to pay the fleet fee.

⁹ Section 37.450 RSMo. (7) Each agency shall pay a state vehicle fleet fee, as determined by the office of administration for each vehicle it owns for the purpose of funding the state fleet vehicle tracking system and for other administrative expenses incurred in management of the state vehicle fleet. Any agency that owns at least one thousand vehicles shall receive a credit against the state vehicle fleet fee for the internal fleet management services performed by such agency, provided such agency furnishes all information required by the fleet manager.

B. Agency Fleet Compliance

STATE VEHICLE POLICY COMPLIANCE

With the inception of the State Fleet Information System, State Fleet Management is better equipped to analyze agency fleet data and determine agency compliance with policy standards. Also, agency compliance is reviewed prior to any new or used vehicle purchases as part of the vehicle pre-approval process previously implemented at the beginning of FY'04.

State Colleges and Universities

In July 2003, discussions with the Department of Higher Education led to the determination that state colleges and universities were responsible for following the State Vehicle Policy, but they would be exempt from the vehicle pre-approval process. Although State Fleet Management distributed the State Vehicle Policy to state colleges and universities, the ability to monitor compliance is limited due to lack of resources as well as a lack of data since none of the colleges and universities have agreed to utilize the State Fleet Information System. A count of licensed vehicles for state colleges and universities is included as Appendix D. Additionally, State Fleet Management has requested detailed vehicle data from all of the state colleges and universities for FY'03 and FY'04, but the format is not conducive for making a thorough analysis of the efficiency of their fleets.

Agency Non-Compliance Issues

All state agencies must comply with SP-4. The following are areas in which agencies are currently not compliant with the State Vehicle Policy:

1. The policy requires an average annual minimum utilization of 15,000 miles for pool vehicles. Listed below is the state agency that reported underutilization of pool vehicles.
 - Department of Transportation¹⁰
2. The Department of Transportation communicated their intent not to adhere to the following statewide fleet management policies:
 - Track individual trip information
 - Obtain preapproval of passenger vehicles
 - Obtain approval to expand the size of their fleet
 - Obtain approval for reportable commuting assignments

¹⁰ MoDOT intends to complete a fleet review in 2005 that would include possible reassignment of pool vehicles into field operations.

B. Agency Fleet Compliance

STATE VEHICLE POLICY COMPLIANCE

3. The Department of Conservation communicated their intent not to adhere to the following statewide fleet management policies:
 - Track individual trip information
 - Obtain preapproval of passenger vehicles
 - Obtain approval of all reportable commuting assignments

C. State Fleet Data

LICENSED VEHICLES PER AGENCY

In December 2004, the state owned approximately 10,886 licensed motor vehicles.¹¹ The largest owners of state vehicles are the Departments of Transportation, Public Safety and Conservation. Combined, these three agencies own and operate about 64% of the state's licensed motor vehicles. The following table details the number of reported vehicles by agency as of December 2003 and December 2004.

Agency	Number of Licensed Vehicles		
	December 2003	December 2004	Change
Agriculture	264	265	1
Attorney General	34	33	(1)
Auditor	4	4	--
Conservation	1,230	1,248	18
Corrections	866	841	(25)
Economic Development	119	117	(2)
Elementary & Secondary Education	159	152	(7)
Governor's Office	1	1	--
Health & Senior Services	95	94	(1)
Higher Education	10	12	2
Insurance	4	4	--
Labor & Industrial Relations	31	30	(1)
Lottery	69	66	(3)
Mental Health	802	684	(118)
Natural Resources	728	726	(2)
Office of Administration	96	94	(2)
OSCA	30	28	(2)
Public Safety ¹²	1,490	1,476	(14)
Revenue	56	53	(3)
Secretary of State	13	13	--
Social Services	365	350	(15)
State Tax Commission	23	22	(1)
Transportation	4,496	4,571	75
Treasurer	2	2	--
TOTAL	10,987	10,886	(101)

¹¹ This data does not include vehicles owned by other entities within the Judiciary, General Assembly and an estimated 2,449 vehicles from the state colleges and universities and licensed trailers.

¹² Includes 1,175 licensed vehicles from the Missouri State Highway Patrol.

C. State Fleet Data

EMPLOYEES PER VEHICLE

One measure of the state fleet's efficiency is the number of employees per vehicle. In FY'04 there were 5.56 employees per vehicle, which was a slight improvement from 5.43 in FY'03. The table to the right represents the number of employees per vehicle by agency. A higher number indicates relatively **fewer** vehicles for the agency compared to its employee count.

In 2003, the State of Missouri's vehicle fleet was compared to six other midwestern states in an article in the *Topeka Capital Journal*¹³ that ranked Missouri second behind the State of Colorado for the number of employees per vehicle. Each state's number of employees per licensed vehicle as reported in the article is listed below.

Colorado 5.7
Missouri 5.56
 Kansas 4.2
 Iowa 4.1
 Nebraska 4.0
 Oklahoma 3.6

Missouri State Agencies FY'04 Employees Per Vehicle	
Insurance	52.5
Auditor	38.0
Labor & Industrial Relations	35.5
Governor's Office	35.0
Health	28.6
Treasurer	27.0
Social Services	26.2
Elementary & Secondary Education	19.0
Revenue	14.6
Economic Development	13.9
Attorney General's Office	13.8
Mental Health	13.8
Corrections	13.7
Secretary of State	11.9
Office of Administration	10.9
OSCA	8.4
Public Safety	8.3
Higher Education	6.2
Natural Resources	3.0
Highway Patrol	1.9
Conservation	1.8
Transportation	1.6
Agriculture	1.5
State Average	5.56

¹³ "Kansas-owned vehicles – Tracking the fleet," *Topeka Capital Journal*, September 21, 2003.

C. State Fleet Data

TOTAL BUSINESS MILES

The total miles driven measurement reflects the total estimated business miles traveled on official state business in licensed vehicles. This data includes business miles collected from the following data sources¹⁴:

- State Fleet Information System
- Self-reported data from MoDOT, Conservation, and MSHP
- Estimated miles reimbursed for personal use of state vehicles¹⁵

Agency	FY'03	FY'04	% Change
Legislature ¹⁶	1,925,639	1,751,966	-9%
Office of the State Courts Administrator	2,476,886	1,883,438	-25%
Public Defender	2,273,679	2,065,777	-9%
Governor	10,494	17,205	64%
Secretary of State	377,470	319,571	-15%
State Auditor	479,840	485,633	1%
Lt. Governor	19,769	20,604	4%
State Treasurer	32,492	23,030	-29%
Attorney General	1,071,500	1,115,079	4%
Office of Administration	1,482,119	1,145,873	-23%
Agriculture	3,994,668	3,743,716	-6%
Insurance	581,587	422,795	-27%
Economic Development	3,923,850	4,247,389	8%
Elementary & Secondary Education	3,501,909	3,194,959	-9%
Labor & Industrial Relations	1,425,937	1,292,097	-9%
Higher Education	165,439	148,452	-10%
Mental Health	8,578,571	7,647,167	-11%
Natural Resources	8,685,502	8,330,318	-4%
Public Safety	29,588,758	29,939,537	1%
Revenue	3,750,813	3,792,246	1%
Social Services	18,931,418	18,400,162	-3%
Corrections	15,459,187	15,043,568	-3%
Health & Senior Services	5,648,067	5,841,540	3%
Conservation	18,120,487	17,845,041	-2%
Transportation	56,122,481	61,607,820	10%
TOTAL	188,628,562	190,324,984	1%

¹⁴ Excludes approximately 897,000 rental miles driven through the Enterprise contract. Enterprise is working to provide this data.

¹⁵ Calculated by taking total instate and outstate mileage reimbursement expenditures for state employees only divided by the FY'04 mileage reimbursement rate issued by OA Accounting.

¹⁶ Reflects mileage reimbursement only.

C. State Fleet Data

STATE VEHICLE USAGE

State vehicles are utilized for a variety of functions. Each agency has outlined the purpose of its fleet in their fleet profiles located in Section E. The State Fleet Information System classifies vehicles according to their assignment (pool, function, or individual) and purpose (client transportation, employee transportation, special purpose or task specific). The tables on this page illustrate these classifications of vehicle assignments along with the associated miles driven per assignment.¹⁷ Complete definitions of primary assignment and primary purpose values are included in Appendix E.

PRIMARY ASSIGNMENT		
	% of Vehicles	% of Miles Driven
Pool	23%	28%
Function	63%	56%
Individual	14%	16%

Examples of state vehicle use are displayed below to illustrate some of the specific uses of vehicles in the state fleet.

PRIMARY PURPOSE		
	% of Vehicles	% of Miles Driven
Client Transportation	14%	11%
Employee Transportation	31%	39%
Special Purpose	25%	24%
Task Specific	30%	26%

Examples of State Vehicle Use

Law Enforcement	Meat & Grain Inspections
Caseworkers	Mail Delivery
Child Abuse & Neglect Investigations	Nursing Home Inspections
Mental Health Client Transportation	Employee Transportation
Emergency Response	Parks Maintenance
Facility Support	Inmate Transportation
Road Maintenance & Construction	Environmental Investigations & Enforcement

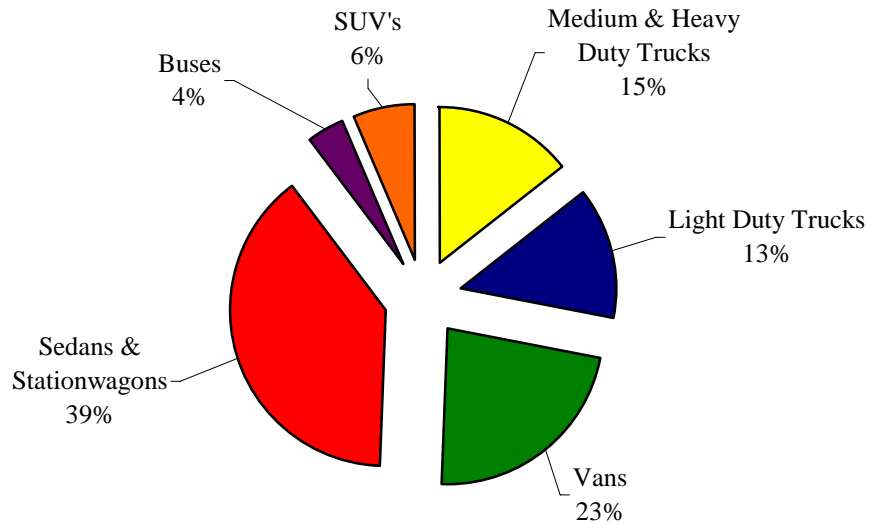
¹⁷ Data from the Departments of Transportation, Conservation and the Missouri State Highway Patrol was not made available for this analysis.

C. State Fleet Data

STATE FLEET COMPOSITION

The chart illustrates the breakdown of licensed vehicles in the state fleet.¹⁸

FY'04 State Vehicles by Category



¹⁸ The data excludes the Departments of Transportation, Conservation and the Missouri State Highway Patrol.

C. State Fleet Data

CONDITION OF THE STATE VEHICLE FLEET

Excluding the Missouri Department of Transportation, Conservation and the Missouri State Highway Patrol, the state fleet contains approximately 2,860 passenger¹⁹ type vehicles. The average age and odometer readings of these vehicles by funding source are illustrated below and are reflective of the actual or projected condition of the fleet at the end of each fiscal year. General Revenue funded vehicles on average are 1.7 years older and have 20,000 more miles on them than vehicles funded by other funds.

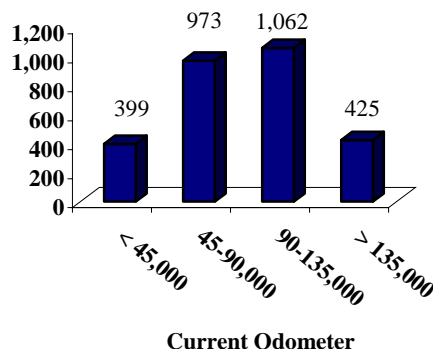
FY'05 – FY'08 estimates were calculated under the assumptions that no further vehicle replacements would take place and vehicles would be utilized to the same degree as they were in FY'04.

Average Age by Funding Source			
	GR	Other Funds	All Funds
FY'04	6.69	4.96	5.96
FY'05	7.69	5.96	6.96
FY'06	8.69	6.96	7.96
FY'07	9.69	7.96	8.96
FY'08	10.69	8.96	9.96

Average Odometer Reading by Funding Source			
	GR	Other Funds	All Funds
FY'04	88,954	69,083	80,516
FY'05	100,328	80,632	91,964
FY'06	111,701	92,181	103,412
FY'07	123,075	103,729	114,860
FY'08	134,448	115,278	126,308

The chart below illustrates the estimated number of passenger vehicles at various mileage ranges at the end of FY'05.

Passenger Vehicles
Number of Vehicles by Odometer Reading



¹⁹ Passenger vehicles are defined as light duty sedans, pickups, vans and sport utility vehicles with a gross vehicle weight rating less than 8,500 lbs.

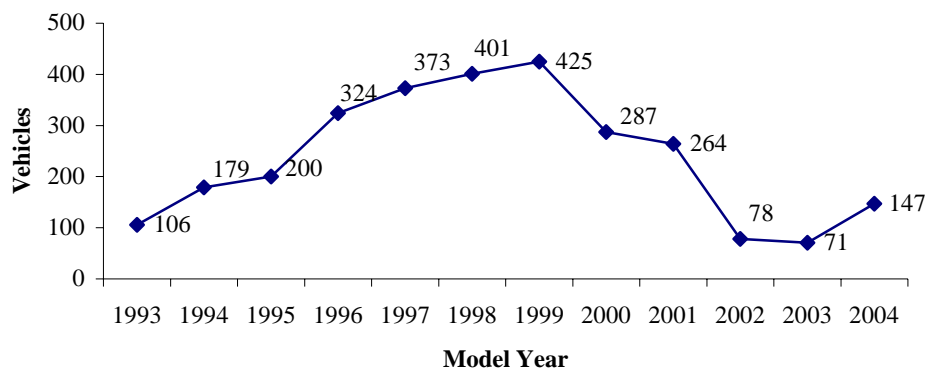
C. State Fleet Data

VEHICLE REPLACEMENTS

Vehicle Replacements Declining

The number of new vehicles purchased by the majority of state agencies has decreased in recent years. Agencies replaced approximately 12% of the *passenger* vehicle fleet annually between 1995 and 2001. In the past three years, only 2.5 - 5% percent of the *passenger* vehicle fleet was replaced annually with new vehicles.

Number of Passenger Vehicles Acquired by Model Year



Vehicle Replacement

The February 1, 2004 State Vehicle Policy establishes a minimum replacement threshold for passenger type vehicles of seven years, 105,000 miles (whichever comes first). The current average odometer reading of vehicles disposed of through State Surplus Property is 121,000 miles.

By the end of FY'05, 37% of the passenger fleet will exceed the 105,000-mile replacement threshold. If this trend continues, over 58% of the passenger fleet will meet the minimum replacement threshold by the end of FY'07.²⁰

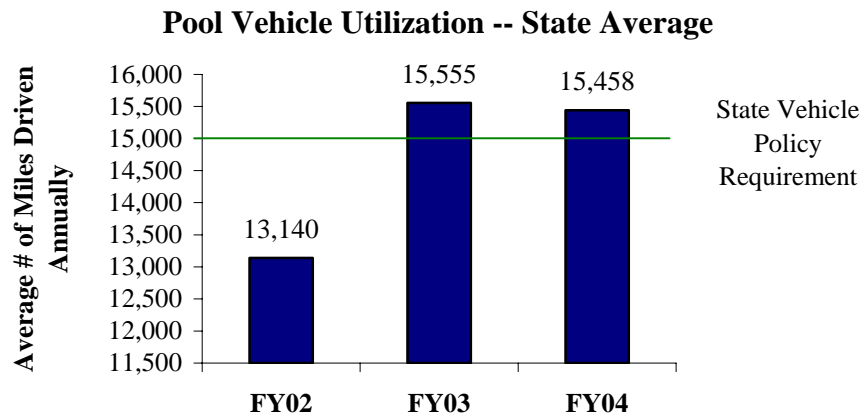
	# Vehicles Over 105,000 Miles	% of Passenger Fleet Over 105,000 Miles
By End of FY'05	1,079	37%
By End of FY'06	1,394	48%
By End of FY'07	1,669	58%
By End of FY'08	2,121	74%

²⁰ Assuming utilization levels are consistent with actual FY'04 usage.

C. State Fleet Data

POOL VEHICLE UTILIZATION

The State Vehicle Policy requires an average of 15,000 annual miles for vehicles assigned to pools. Approximately 23% of the vehicles in the state fleet are assigned to a pool. Pool vehicles are general use vehicles available for temporary assignment to multiple individuals. The following table represents the reported average pool utilization per agency for FY'04.



FY'04 Average Pool Utilization by Agency			
Agriculture ²¹	13,989	Mental Health	15,026
Attorney General	22,210	Natural Resources	17,242
Conservation	17,481	Office of Administration	15,071
Corrections	16,701	OSCA	13,954
Economic Development	14,833	Public Safety (except MSHP)	15,427
Elementary & Secondary Ed	15,843	Revenue	16,646
Health	15,906	Secretary of State	12,540
Higher Education ²²	11,908	Social Services	15,208
Highway Patrol	16,939	State Auditor	12,818
Insurance ²³	9,107	State Treasurer ²⁴	11,212
Labor & Industrial Relations	19,430	Transportation ²⁵	13,091
STATE AVERAGE			15,458

²¹ The Department of Agriculture reduced its fleet to comply with the February 1, 2004 State Vehicle Policy.

²² The Department of Higher Education had several vacant positions that impacted their pool average for FY'04. Those positions have been filled and DHE believes their average should increase to the minimum requirement.

²³ The Department of Insurance had vacant positions that impacted their pool average for FY'04. Those positions have been filled and Insurance believes their average should increase to the minimum requirement.

²⁴ The State Treasurer's Office only has two vehicles in its fleet, one of which is a pool vehicle.

²⁵ The Department of Transportation's pool vehicles are out of compliance with the State Vehicle Policy. MoDOT intends to complete a fleet review in 2005 that would include possible reassignment of pool vehicles into field operations.

C. State Fleet Data

COMMUTING IN STATE VEHICLES

State Fleet Management revised the State Vehicle Policy on February 1, 2004 to further define the types of commuting (or the instances where employees take vehicles home). There are two types of commuting: exempt and reportable.

Exempt commuting means that the employee is exempted from federal and state taxation reporting requirements. One example of exempt commuting is individuals who work from their home, such as Missouri State Highway Patrol officers.

Reportable commuting assignments apply to individuals who are subject to federal and state taxation reporting requirements. Complete definitions and allowable circumstances for exempt and reportable commuting are available in the State Vehicle Policy, Appendix C.

In 2004, agencies were asked to submit the new Reportable Commuting Authorization Form for the State Fleet Manager's approval as required under the revised State Vehicle Policy. All reportable commuting assignments were reviewed to ensure consistency across state agencies.

The table below represents the most recent count of the number of exempt and reportable commuting assignments reported by state agencies.

The Departments of Conservation and Transportation did not submit reportable commuting forms. See Section B, Agency Fleet Compliance for more information.

REPORTABLE COMMUTING ASSIGNMENTS		
Agency	Approved	Not Approved
Attorney General's Office	1	
Conservation		65
Corrections	8	
Health & Senior Services	1	
Gaming Commission ²⁶		5
Lottery	6	
Mental Health	2	
Natural Resources	1	
Public Safety	3	
Social Services	13	
Transportation		120
TOTAL	35	190

²⁶ State Fleet Management was recently notified of the commuting assignments and requested forms from the Commission. These commuting assignments were under review at the time this report was drafted.

C. State Fleet Data

COST PER MILE - SEDANS

One key measure necessary to monitor fleet cost is the total cost per mile. Tracking the cost to own and operate state vehicles is essential to making informed decisions regarding the state fleet. The cost to own and operate a non specially equipped sedan in the state fleet is approximately \$.206 per mile, which is the lowest cost of any fleet financing option as discussed on page 3. State Fleet Management has researched other state's cost per mile to own and operate a sedan and found our cost to be comparable with other states.

The cost per mile for mid and full size sedans is illustrated on this page and discussed below.

	FY'04 COST PER MILE SEDANS		
	Mid Size	Full Size	Weighted Average
Depreciation	\$0.097	\$0.114	\$0.101
Insurance/Fleet Fee	\$0.007	\$0.007	\$0.007
Fuel	\$0.060	\$0.063	\$0.061
Maintenance & Repair	\$0.038	\$0.034	\$0.037
Total	\$0.202	\$0.218	\$0.206

Depreciation

2004 model year pricing from statewide contracts issued by OA/Purchasing minus the estimated residual value based on similar vehicles disposed of at 105,000 miles through State Surplus Property. Total estimated depreciation was then divided by 105,000 miles (minimum replacement level in the State Vehicle Policy).

Insurance & Fleet Fee

Insurance represents a three-year average of actual motor vehicle claims paid through the State Legal Expense Fund divided by the fund's number of covered vehicles divided by 15,000 estimated annual miles. The fleet fee represents the \$8.00 per vehicle annual fee charged under Section 37.450 RSMo divided by 15,000 annual miles.

Fuel

Fuel is based on actual vehicle averages from the State Fleet Information System.

Maintenance and Repair

Maintenance and repair is based on actual vehicle averages from the State Fleet Information System.

C. State Fleet Data

OPERATING COST

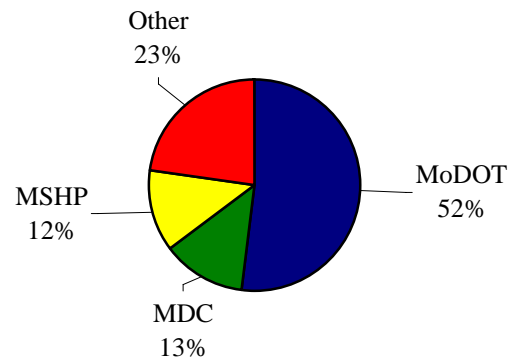
In FY'04, state agencies reported an increase in the cost of fuel and maintenance of 17% and 14% respectively. Fuel, maintenance, and repair expenditures for licensed vehicles are illustrated in the table below.

Operating Expenditures Licensed Vehicles		
	FY'03	FY'04
Maintenance & Repair	\$7.8 M	\$8.8 M
Fuel	\$14.9 M	\$17.5 M

Fuel

OA rebid the fleet fuel card contract in 2004 and is currently evaluating proposals that may offer volume based rebates or discounted pricing. Most state agencies utilize the state fleet fuel card contract. MoDOT manages a separate fuel card contract that includes fueling at retail locations and its own fueling sites. The Missouri State Highway Patrol also utilizes the MoDOT contract.

FY'04 Fuel Expenditures

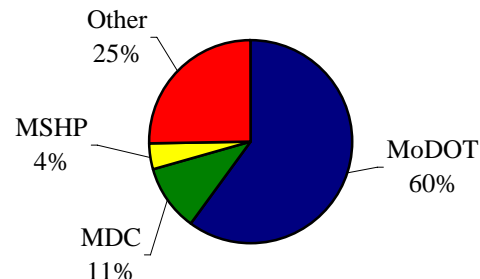


Maintenance & Repair

In 2005, State Fleet Management will present a draft RFP to OA/Purchasing for a statewide maintenance and repair contract. As the fleet ages, it will be important to explore every opportunity to manage maintenance and repair expenditures.

Approximately 1,200 vehicles are maintained at the OA/Vehicle Maintenance Facility in Jefferson City. MoDOT, Conservation, and the Highway Patrol also have maintenance facilities to maintain their agency's fleets.

FY'04 Maintenance & Repair Expenditures

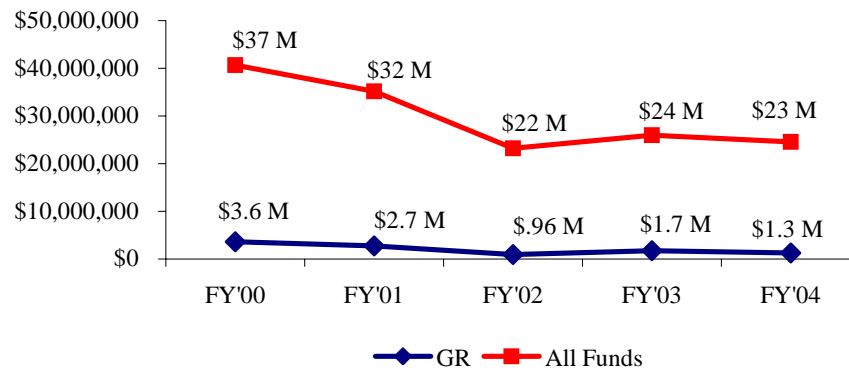


C. State Fleet Data

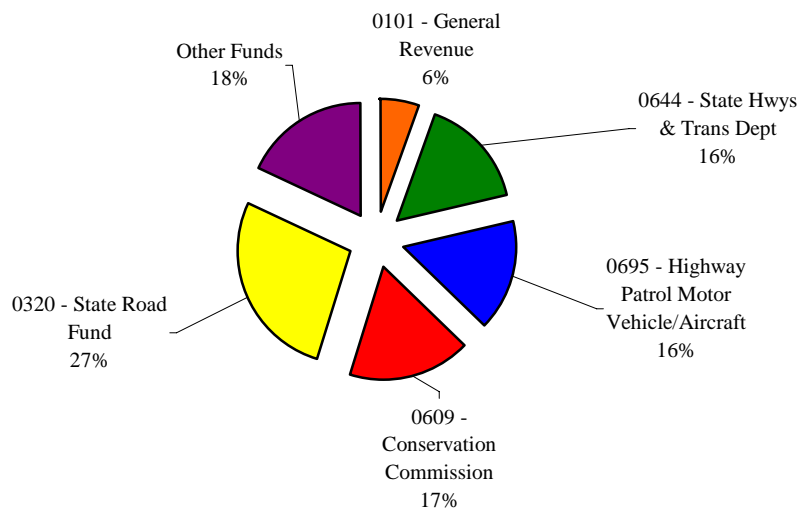
CAPITAL COST

General Revenue vehicle purchases have declined 51% since FY'00 while overall vehicle purchases have declined 34% during the same period as depicted on the following chart. The pie chart at the bottom of the page displays the breakout by fund for FY'04.²⁷

Vehicle Purchases by Fiscal Year



FY'04 Vehicle Expenditures by Fund



²⁷ Data depicted on this page was obtained through the SAM II for object code 2748, vehicles which according to the SAM II Chart of Accounts are defined as the purchase of state automobiles, light trucks and passenger vans for state use.

D. 2005 Fleet Management Program Goals

In 2005, the Office of Administration, with input from agency fleet managers, will explore several more options to further improve the efficiency of the state fleet. Below are the fleet management goals for 2005:

1. Continue review of underutilized vehicles.
2. Finalize evaluation of fleet fuel card RFP.
3. Issue request for proposals for certain vehicle maintenance services in areas of the state where there are high concentrations of state vehicles but no state owned maintenance facilities.
4. Continue analysis of options to increase the residual value of state vehicles.
5. Enhance vehicle data reliability by decreasing the number of errors reported in the reconciliation process between the Department of Revenue and the State Fleet Information System (SFIS).
6. Promote use of the *Trip Optimizer* tool to encourage state agencies and employees to determine and utilize the most cost effective travel options.
7. Explore options to save travel expenditures by identifying state employees with extraordinary amounts of mileage reimbursement and identifying more cost effective travel options.

E. Agency Fleet Profiles

Since the State of Missouri operates in a decentralized fashion, agencies were asked to submit information that presents an overview of their fleet. Agency fleet profiles contain the following information:

- Fleet Purpose and Function
- 2004 Accomplishments
- 2005 Goals

E. Fleet Profile

ATTORNEY GENERAL'S OFFICE

Fleet Purpose

- Provide a pool of vehicles for attorneys to travel to court appearances throughout the state
- Mail delivery

2004 Accomplishments

- Monitored mileage usage so that vehicles could be transferred to locations where they would have the greatest utilization

2005 Goals

- Continue to monitor the vehicle usage to ensure they are used efficiently

E. Fleet Profile

SECRETARY OF STATE

Fleet Purpose

- Operate a carpool used by employees of the office in the routine duties of their positions, which includes but is not limited to securities investigations, delivery of library grant checks, and presenting and attending seminars throughout the State of Missouri
- Delivery and retrieval of records
- Mail pickup and delivery

2004 Accomplishments

- None submitted

2005 Goals

- Purchase of new vehicles will follow DNR guidelines for alternative fuel vehicles

E. Fleet Profile

STATE AUDITOR'S OFFICE

Fleet Purpose

- Transportation of employees
- One vehicle designated for local courier

2004 Accomplishments

- None submitted

2005 Goals

- To ensure that our vehicles are used efficiently

E. Fleet Profile
STATE TREASURER***Fleet Purpose***

- Operate a carpool used by employees of the office in their routine duties, which include unclaimed property and linked deposit audits, unclaimed property booths, presenting and attending seminars throughout the State of Missouri
- Mail pickup and delivery

2004 Accomplishments

- Increased the use of E-85 fuel in alternative fuel vehicle
- Reduced the number of miles reimbursed to employees for personal vehicle usage

2005 Goals

- Continue to increase the use of E-85 fuel in alternative fuel vehicle
- Continue to increase utilization of carpool vehicle and OA carpool vehicles

E. Fleet Profile

DEPARTMENT OF AGRICULTURE

Fleet Purpose

- Weights and Measures Division: Fuel and scale inspections, etc.
- Grain Inspection and Warehousing Division: Grain inspections and audits, etc.
- Plant Industry Division: Nursery inspection, gypsy moth and boll weevil control, etc.
- Market Information and Outreach Division: Market reporting and scholarship awards, etc.
- Animal Health Division: Meat inspection, food safety, brucellosis inspections, animal identification, etc.
- Agriculture Business Development Division: Travel relating to program activity grants and loans, etc.

2004 Accomplishments

- Continued rigorous preventative maintenance policy
- Reassigned underutilized pool vehicles to make more efficient use of the fleet

2005 Goals

- Continue monitoring fleet replacement needs by evaluating the fleet for underutilized pool vehicles
- Utilize State Fleet Information System data warehouse and reports to ensure proper input of utilization and maintenance and repair records

E. Fleet Profile

DEPARTMENT OF CONSERVATION

Fleet Purpose (from 2003 annual report)

- The Department of Conservation (MDC) provides highway, construction, farm, marine and other equipment, which are necessary for its operations and intended for official use
- MDC vehicles and equipment are tools for staff to deliver programs and services that positively affect Missouri's forest, fish, and wildlife resources

2004 Accomplishments

- None submitted.

2005 Goals

- None submitted.

E. Fleet Profile

DEPARTMENT OF CORRECTIONS

Fleet Purpose

- Inmate transportation
- Institutional security (perimeter patrol/emergency response)
- Operate pool vehicles used by employees
- Special use vehicles for delivery of commodities (food, etc.) and materials (Missouri Vocational Enterprise products, road aggregate material, etc.)
- Institutional support and maintenance of buildings

2004 Accomplishments

- Re-evaluated underutilized or worn out vehicles by reassigning 70 vehicles
- Reduced fleet by 18 vehicles
- Replaced four vehicles with alternative fuel E-85 vehicles
- Finalized Departmental Vehicle Policy
- Evaluated biodiesel pilot project and its affordability
- Arranged DNR alternative fuel display

2005 Goals

- Further reduce underutilized vehicles
- Continue to redistribute if needed and possibly reduce fleet to stay in compliance with State Vehicle Policy
- Explore additional opportunities to share vehicle resources at DOC sites
- Submit ongoing budget requests to replace the vehicles with over 100,000 miles to improve public safety as well as staff/offender safety
- Ongoing review of Departmental Vehicle Policy
- Expand biodiesel use if affordable
- Hold Bulk Propane Distribution Training with Department of Agriculture, Weights & Measures on safe propane fueling practices for new facility
- Fleet Coordinator to make site visits to physically review vehicles and discuss the direction of fleet management with field staff
- Promote the use of alternative fuel by posting signs, issuing articles in Departmental newsletter and arranging displays through DNR

E. Fleet Profile***DEPARTMENT OF ECONOMIC DEVELOPMENT******Fleet Purpose***

The Department of Economic Development (DED) fleet is composed of vehicles used to accomplish the varied statutory functions imposed on the centralized and decentralized divisions of DED as well as the Public Service Commission. The vehicles are used to perform the following functions:

- Pick up and delivery of supplies, inventory, and mail
- Support and maintenance of remote site and local buildings
- Investigations and inspections (Professional Registration)
- Commuting vehicle assigned to person working from home (PSC)
- Operate a carpool used by employees of the department

2004 Accomplishments

- Reviewed vehicle use for compliance with the State Vehicle Policy
- Continued usage of the State Fleet Information System to track usage and cost associated with vehicles
- Met DNR requirements for alternative fuel vehicles
- Utilized the OA trip optimizer to cut down on mileage reimbursement
- Established a carpool reservation system in Microsoft Outlook
- Utilized Enterprise rental cars for employee trips when more cost effective

2005 Goals

- Continue to promote alternative fuel vehicle purchases
- Review high mileage vehicles in poor condition for future surplus/replacement
- Continue to redistribute and eliminate underutilized vehicles
- Recommend to the State Fleet Manager that another function be added to DED Fleet purpose which will include the field staff vehicles used for investigation and inspection work

E. Fleet Profile***DEPARTMENT OF ELEMENTARY & SECONDARY EDUCATION******Fleet Purpose***

- Support and maintain state-owned buildings
- Operate a carpool used by employees
- Support administrative functions (mailroom, printshop, telecommunications, laundry)
- Investigations and license revocations
- Transport students and staff
- Transport staff to provide technical assistance to school districts

2004 Accomplishments

- Reduced fleet by six vehicles
- Reassigned four vehicles within the department to improve vehicle utilization

2005 Goals

- Increase the use of E-85 fuel in alternative fuel vehicles
- Pursue replacement vehicles through the 2006 budget process

E. Fleet Profile

DEPARTMENT OF HEALTH & SENIOR SERVICES

Fleet Purpose

- To provide reliable transportation for Department of Health and Senior Services employees at a competitive cost

2004 Accomplishments

- High mileage vehicles, and those in poor condition, were replaced with Federal Surplus vehicles
- Identified cost saving opportunities to assign vehicles to those individuals within the agency who were driving personal vehicles

2005 Goals

- Develop an improved preventative maintenance program
- Increase utilization of fleet by monitoring monthly usage versus personal vehicle usage

E. Fleet Profile

DEPARTMENT OF HIGHER EDUCATION

Fleet Purpose

- Perform job functions in out-state Missouri
- Transport staff and board members to various meetings throughout the state
- Staff visits to public and private campuses
- Daily inter-city mail and delivery route

2004 Accomplishments

- Purchased two E-85 flex fuel vehicles to replace one wrecked vehicle and one stolen vehicle
- Monitored vehicle usage to prevent under utilization of fleet
- Attended National Conference of State Fleet Administrators in Branson, Missouri

2005 Goals

- Continue to monitor fleet usage to eliminate under utilization
- Encourage more E-85 usage in flex fuel vehicles

E. Fleet Profile

DEPARTMENT OF INSURANCE

Fleet Purpose

- Operate a carpool to be used by department employees for regulatory functions
- Provide a vehicle to be utilized for mailroom functions

2004 Accomplishments

- Increased the use of E-85 fuel in alternative fuel vehicles
- Monitored fleet costs by comparing actual costs to the *Trip Optimizer*

2005 Goals

- Continue to monitor vehicle usage to determine optimum fleet size

E. Fleet Profile***DEPARTMENT OF LABOR & INDUSTRIAL RELATIONS******Fleet Purpose***

- Perform tax audits
- Perform mine safety inspections
- Support and maintain state owned buildings
- Maintain statewide information systems
- Adjudication
- Fraud and non-compliance investigations
- Support administrative functions

2004 Accomplishments

- Continued maintenance schedules to better maintain fleet vehicles
- Reduced the number of underutilized vehicles
- Increased the use of alternative fuels
- Promoted a travel policy to encourage employees to use carpool vehicles whenever possible

2005 Goals

- Acquire and maintain the number of pool vehicles so as to meet State Vehicle Policy guidelines
- Maintain, issue and track all fleet vehicles
- Replace fleet vehicles to ensure all employees have access to a safe and reliable vehicle
- Maintain ideal fleet composition
- Continue to promote the use of alternative fuel in state vehicles

E. Fleet Profile

DEPARTMENT OF MENTAL HEALTH

Fleet Purpose

- Transport clients and consumers
- Maintenance of buildings and grounds at Department of Mental Health (DMH) facilities
- Support department programs and activities
- Provide transportation for DMH employees to conduct state business

2004 Accomplishments

- Reduced pool vehicles to become compliant with the State Vehicle Policy
- Reduce underutilized passenger type vehicles by 25% (55 vehicles)
- Reassigned vehicles to make more efficient use of the department's fleet
- Exceeded the 30% alternative fuel use state statute requirement by 5% in Central Office alternative fuel vehicles
- Promoted the use of E-85 in DMH alternative fuel vehicles

2005 Goals

- Maintain compliance with the State Vehicle Policy
- Continue to monitor usage of vehicles and reassign them as necessary to improve fleet efficiency
- Continue to promote the use of E-85 in DMH alternative fuel vehicles
- Replace older, inefficient vehicles with newer, more efficient vehicles

E. Fleet Profile***DEPARTMENT OF NATURAL RESOURCES******Fleet Purpose***

- To support the planning, monitoring, research, public assistance, sampling, and when necessary investigation and enforcement associated with landfills, hazardous waste, public drinking water, water quality, air quality, soil conservation and other environmental activities
- To provide a pool of vehicles in Jefferson City for use by department staff that travel statewide to administer department programs and interact with the public regarding environmental regulation, enforcement, abatement, and planning
- To provide for an Emergency Environmental Response capability that includes responding to hazardous material spills and supporting methamphetamine abatement and lab cleanup efforts
- To support the operation, maintenance, administration, construction, and security of over 80 state parks and historic sites
- To support providing assistance, education, and guidance in the use and protection of Missouri's geologic and land resources, including interpreting the State's geological and hydrological setting; interpreting the character and availability of its water, energy, and mineral resources; insuring the safety of dams; and determining land boundaries
- To demonstrate and publicize vehicles that employ technological advances with potential for increased energy efficiency and/or reducing the dependence on foreign oil

2004 Accomplishments

- Conducted a review of low-use vehicles (those traveling under 5,000 miles during FY'03) as requested by OA which revalidated vehicle requirements and resulted in reducing fleet size from 728 to 726
- Participated with the State Fleet Manager in initial research on the potential for establishing a statewide contract for fleet maintenance management
- Finalized and submitted for approval revised department vehicle policies that implement and/or reinforce the State Vehicle Policy
- Contributed to OA/DPMM efforts to rebid the state fuel card contract
- Increased the use of biodiesel by 22% over the amount used in FY'03
- Replaced 81 vehicles which will provide a more reliable fleet and help curtail the increase in maintenance costs that was occurring as the result of suspending vehicle replacements during FY 02 and FY'03

E. Fleet Profile***DEPARTMENT OF NATURAL RESOURCES******2005 Goals***

- Publish revised departmental vehicle policies that incorporate and reinforce the State Vehicle Policy
- Work closely with the State Fleet Manager to identify, evaluate and implement initiatives that can reduce costs while sustaining or improving effectiveness.
- Continue participating with OA/DPMM and the State Fleet Manager to award a new contract for a state fleet fuel card
- Identify vehicles that are eligible for replacement and replace as many as possible. By June 2005, over 170 vehicles are projected to have accumulated over 105,000 miles and will be eligible for replacement. 90 of those 170 vehicles will have over 120,000 miles. Timely replacement is crucial to maintaining a safe, serviceable and reliable fleet
- Incorporate technologically advanced vehicles such as Ford's Escape Hybrid into the fleet by replacing vehicles with hybrids whenever feasible and fiscally responsible
- Continue to expand the use of biodiesel whenever and wherever it is feasible and doing so is fiscally responsible
- Monitor vehicle utilization in current assignments and determine if there is vehicle assets that could be eliminated or reassigned to functions in greater need

E. Fleet Profile

OFFICE OF ADMINISTRATION

Fleet Purpose

- Support and maintain state owned buildings
- Operate a carpool primarily used by employees of the Office of Administration
- Inspect state construction sites and leased facilities throughout the State of Missouri
- Delivery of interagency mail, printing products

2004 Accomplishments

- Met the 25% reduction target for underutilized vehicles
- Met DNR requirements for alternative fuel vehicle acquisitions and alternative fuel purchases
- Issued request for proposal to rebid state fleet fuel card contract.

2005 Goals

- Continue efforts to evaluate proposals for the state fleet fuel card contract
- Issue request for proposal for vehicle maintenance services
- Continue to analyze vehicle utilization
- Continue to promote the use of alternative fuels in state vehicles

E. Fleet Profile***OFFICE OF THE STATE COURTS ADMINISTRATOR******Fleet Purpose***

- Support the operations of state courts
- Support statewide court automation
- Support judicial and clerk training programs
- Local use; e.g., mail, I.T. operations between four facilities, etc.

2004 Accomplishments

- Surplused two additional high-mileage vehicles
- Continue to meet or exceed procedures for assignment, usage and replacement of state vehicles

2005 Goals

- Continue to surplus pool vehicles with over 100,000 total miles in order to reduce maintenance and usage costs
- Reduce pool vehicles from 30 to 28 (as of December, 2004)
- Purchase two-three vehicles to replace additional high-mileage vehicles which will be sent to surplus property

E. Fleet Profile

DEPARTMENT OF PUBLIC SAFETY

Fleet Purpose

- *Office of the Director*
 - Operate a carpool to be used by employees for mandatory monitoring of state and federal grants
 - Attending conferences and meetings
- *State Emergency Management Agency (SEMA)*
 - Respond to emergency situations
 - Training for city and county Emergency Management Directors
 - Preparedness and planning for city and county Emergency Management Directors
- *Alcohol and Tobacco Control*
 - Enforcement and licensing of liquor establishments
- *Missouri Veteran's Commission (MVC)*
 - Provide transportation for residents
 - Support and maintain residents and veteran's homes
 - Operate a carpool for employees
- *Missouri Capitol Police (MCP):*
 - Police patrol
 - Response to calls for police service
 - Traffic enforcement and parking enforcement
 - Security escorts
- *Missouri Water Patrol (MWP)*
 - Deliver law enforcement personnel with appropriate technical equipment to all areas of the state to achieve mission as defined by RSMO. Chapter 306
 - Emergency response such as floods, earthquakes, Homeland Security details and other similar missions
 - Operate a small pool of additional specialized vehicles that support the MSWP mission such as, Homeland Security, dive response vehicles, blood alcohol content testing vans, evidence vehicles and radio telecommunications vehicles
- *Division of Fire Safety (DFS)*
 - Emergency response to fires and or explosions
 - Inspections of daycare and group homes, boilers, pressure vessels, elevators, escalators and amusement rides
 - Provide pool vehicles for staff
 - Transport state property

E. Fleet Profile

DEPARTMENT OF PUBLIC SAFETY

- *Adjutant General's Office*
 - Support of Missouri National Guard missions
 - Support facility maintenance requirements
 - Mail deliveries

2004 Accomplishments

- *Office of the Director:* reduced the number of pool vehicles by one and increase utilization of pool vehicles by offering pool vehicles to other divisions with DPS
- *Adjutant General's Office:* reduced fleet to it's bare minimum
- *SEMA*
 - Increased awareness to drive more efficiently via articles, distribution of literature and meetings with Section Chiefs
 - Increased use of public transportation when traveling out of State
 - Reduced the number of underutilized vehicles
- *Water Patrol:* none submitted
- *Fire Safety:*
 - Surplused three vehicles
 - Reassigned low mileage vehicles to higher usage areas
 - Monitored pool vehicle mileage and maintenance
- *Highway Patrol:* none submitted
- *Capitol Police:* Replaced one vehicle with Homeland Security Grant from SEMA
- *Veteran's Commission:* Reassigned vehicles to reach maximum mileage and usage and reduced personal mileage reimbursement
- *Alcohol and Tobacco Control*
 - Reassigned low mileage vehicles to higher usage areas
 - Monitored pool vehicle usage closer
 - Purchased five replacement vehicles and surplused five older high maintenance vehicles
 - Purchased four vehicles and assigned them to agents receiving mileage reimbursement in excess of 15,000 miles per year

2005 Goals

- *Office of the Director*
 - Continue to monitor mileage of all pool vehicles to remain compliant with the State Vehicle Policy
 - Continue to make our vehicles available to other DPS divisions providing they are not scheduled for us

E. Fleet Profile***DEPARTMENT OF PUBLIC SAFETY***

- *Adjutant General's Office*
 - Maintain an operational fleet at it's highest level
 - Continue to monitor fleet usage and reassign low usage vehicles to divisions with more mileage usage
- *Highway Patrol:* non submitted
- *SEMA*
 - Increase the use of E-85 fuel in alternative fuel vehicles
 - Continue to monitor vehicle usage to optimize fleet size
- *Fire Safety*
 - Replace high mileage, high maintenance vehicles when budget allows
 - Rotate out vehicles from pool to higher mileage field vehicles
- *Capitol Police:* None submitted
- *Veteran's Commission:* further reduce personal vehicle mileage and continue to reassign vehicles to reach their maximum usage
- *Water Patrol:* none submitted
- *Alcohol and Tobacco Control*
 - Replace older higher maintenance cost vehicles, as budget allows
 - Purchase additional vehicles and assign to agents receiving mileage reimbursements in excess of 15,000 miles per year, as budget allows
 - Continue to monitor pool vehicles for usage and mileage

E. Fleet Profile
DEPARTMENT OF REVENUE²⁸***Fleet Purpose***

- Transportation of agency staff while conducting state business

2004 Accomplishments

- Reduced fleet size from 56 to 53 vehicles
- Reassigned two underutilized vehicles

2005 Goals

- Reduce fleet size from 53 to 49
- Surplus six high mileage vehicles, four of which are underutilized
- Reassign eleven underutilized vehicles to achieve maximum usage and reduce mileage reimbursement expenses

²⁸ The Missouri Lottery and the State Tax Commission are reported separately.

E. Fleet Profile

DEPARTMENT OF SOCIAL SERVICES

Fleet Purpose

- Direct services to the public (rehabilitation services for the blind)
- Support and maintain direct services to youth and families (youth homes, case management and aftercare services, child abuse/neglect investigations/interventions)
- Investigations of child fatalities, Medicaid and IM (welfare) fraud
- Operate a carpool used by employees of the Department of Social Services (DSS)
- Mail pick up and delivery
- Transfer of equipment/supplies from one location to another

2004 Accomplishments

- Reduced fleet by 7 and transferred underutilized vehicles
- Input vehicle data into State Fleet Information System
- Replaced 33 passenger vans with safer mini buses
- Increased the percentage of alternative vehicles and promoted the use of alternative fuels

2005 Goals

- Monitor and reduce the number of underutilized vehicles
- Find funding to replace older vehicles with high mileage
- Educate and encourage alternative fuel purchases and usage (Ethanol) in FFV vehicles
- Continue strict enforcement of vehicle maintenance schedules

E. Fleet Profile

DEPARTMENT OF TRANSPORTATION

Fleet Purpose

Comprised of passenger vehicles, utility trucks, aerial units, dump trucks, sweepers and various types of off-road construction equipment to construct and maintain the state's highway system

2004 Accomplishments

- Received the NCSFA/Honda Environmental Leadership Award
- Increased employees awareness in alternative fuels by publishing articles in our internal newsletters
- Identified alternative fuel vehicles by decals
- Worked with Ford Motor Company and OA to order/receive five Hybrid Ford Escapes (anticipated delivery June 2005)
- Partnered with Weststart (H-TUF) to acquire three Hybrid Aerial Units (anticipated delivery September 2005)
- Sold additional EPAct credits resulting in over \$170,000 in revenue to MoDOT from the biodiesel revolving fund

2005 Goals

- Continue working with external fuel suppliers to fully implement a biodiesel program
- Increase E-85 fueling facilities
- Review our Fleet Management System to determine if the system is meeting all of our informational needs
- Continue reviewing equipment classes to ensure the "right-sizing" of the fleet
- Establish a municipal leasing option in our heavy equipment contracts
- Meet or exceed state and federal Alternative Fuel Program requirements

E. Fleet Profile

MISSOURI LOTTERY

Fleet Purpose

- Promote the Missouri Lottery by traveling to meet with retailers and sponsoring promotional events
- Sales routes
- Maintenance and delivery of Lottery materials
- Support regional offices located in Kansas City, St. Louis, Springfield and Jefferson City

2004 Accomplishments

- Eliminated underutilized vehicles
- Continued to review safety in vehicle usage
- Continue to review overall vehicle usage

2005 Goals

- Continue to monitor the vehicle fleet and reassign vehicles to improve utilization when necessary
- Replace fleet vehicles to ensure all employees have access to a safe and reliable vehicle
- Fleet Coordinator to make site visits to physically review vehicles and to discuss the direction of fleet management with field staff
- Continue to provide safety training, related to fleet usage

E. Fleet Profile

STATE TAX COMMISSION

Fleet Purpose

- Delivery and transport vehicles
- Provide a pool of vehicles in Jefferson City for transportation of agency staff for statewide travel.
- Travel to counties to perform appraisals for ratio studies
- Travel to assist county assessors

2004 Accomplishments

- Reassigned under utilized vehicles
- Replaced vehicles in excess of 100,000 miles

2005 Goals

- Continue to comply with the State Vehicle Policy
- Encourage alternative fuel purchases
- Review overall vehicle usage
- Replace high mileage vehicles as budget allows
- Implement a revised policy that reinforces the State Vehicle Policy

Appendix A

FLEET MANAGEMENT HISTORY

The following is a brief chronological summary of relevant fleet management initiatives from 1997 – 2003.

1997 – 1998

Under the direction of the Lt. Governor's Office, the Council on Efficient Operations (CEO), Vehicle Maintenance and Management Team made the following recommendations:

1. Develop and implement a collaborative plan for purchasing, replacing and re-marketing state vehicles
2. Implement a standard vehicle tracking policy and method
3. Implement a standard vehicle assignment and use policy
4. Develop and implement a comprehensive maintenance program for all state vehicles
5. Implement a fuel program, utilizing an electric fuel card to be used by all state vehicle fleets
6. Standardize the decision process when selecting vehicle travel methods (personal, state, or rental)

The CEO team published the following documents:

- *Vehicle Management & Maintenance, Opportunities to Improve the State of Missouri's Vehicle Fleet Efficiency.* August 20, 1997.
- *Vehicle Management in State Government, An Analysis of Practices and Methods.* January 1998.

2001

State Fleet Management Audit Released

State Auditor, Claire McCaskill, issued an audit of State Fleet Management Report Number 2001-94 (<http://www.auditor.state.mo.us/press/2001-94.pdf>) recommending the Office of Administration set statewide policy for fleet management to include the following requirements:

1. Minimum mileage use requirements
2. Vehicle replacement policies, including replacement thresholds by vehicle type
3. Vehicle purchasing and budgeting procedures
4. Preventive maintenance, including maintenance schedules

Appendix A***FLEET MANAGEMENT HISTORY***

5. Allowable and unallowable uses and the records required to account for such use
6. Justification for assigning vehicles to individuals
7. Justification for commuting

State Fleet Management Task Force Formed

In response to the State Auditor's report, the Office of Administration convened an interagency State Fleet Management Task Force to develop and recommend a state vehicle policy governing the acquisition, assignment, maintenance and use of state vehicles.

2002***State Vehicle Policy Issued***

The Commissioner of Administration issued the State Vehicle Policy (Appendix C) in January 2002. Issuance of this policy satisfied a number of recommendations made by the State Auditor and the House Interim Committee on State Fleet of Motor Vehicles and Airplanes. It also met the Commissioner of Administration's responsibility under Section 37.450 RSMo to issue policies governing the acquisition, assignment, use, replacement and maintenance of state-owned vehicles.

House Interim Committee Releases Report

The House Interim Committee on State Fleet of Motor Vehicles and Airplanes issued a report (<http://www.house.state.mo.us/bills01/intcom01/fleet.htm>) on February 5, 2002 recommending the establishment of a statewide fleet management program under the Office of Administration to encompass the following:

1. A standard vehicle tracking system
2. A central revolving fund within the Office of Administration to retain funds for the purpose of purchasing vehicles
3. A comprehensive maintenance program
4. A policy to ensure state vehicles are used solely for state business
5. Annual safety inspections of all vehicles
6. Compliance of all state purchasing policies
7. Annual reporting of the state fleet
8. Standardize the decision process for selecting vehicle travel methods
9. Establish a standardized policy on transporting personnel

Appendix A

FLEET MANAGEMENT HISTORY

Fleet Management Legislation Signed Into Law

Governor Holden signed HB 1270 and 2032 (Appendix B) on July 11, 2002 creating a Fleet Management Program within the Office of Administration.

State Fleet Manager Appointed

The State Fleet Manager was appointed on August 1, 2002.

Fleet Management Advisory Committee Formed

The Fleet Management Advisory Committee (FleetMAC), a committee of representatives from all state agencies, began its work on August 8, 2002.

Efforts Begin to Determine Agency Compliance with the State Vehicle Policy

In August 2002, the Office of Administration, Division of General Services issued a questionnaire to state agencies to determine compliance with the State Vehicle Policy.

State Fleet Management Website Developed

The State Fleet Management website was developed in August 2002 and is available at <http://www.oa.mo.gov/gs/fm/index.htm>. The website serves as a resource for agency fleet managers and provides information on statewide fleet initiatives.

Fleet Information System Requirements Finalized

In October 2002, the Office of Administration, with the assistance of FleetMAC, finalized system requirements for the Fleet Information System required under Section 37.450 RSMo.

State Agencies Directed to Review Fleet Assignments and Reduce Fleets Accordingly

State agencies were directed to review their fleet assignments and determine if they are justified. Agencies were also directed to reduce the number of assigned vehicles, on-call vehicles and overall size of the state fleet.

Appendix A

FLEET MANAGEMENT HISTORY

Fleet Information System Development Begins

The Office of Administration, Division of Information Systems began system development in December 2002.

2003

State Agencies Reduce Passenger Vehicles by 10%

State agencies reported fleet reductions of 969 vehicles since the beginning of the state fleet initiative.

Vehicle Preapproval Process Implemented

To contain growth in the state fleet, all new or used passenger vehicles less than 8,500 GVW (Gross Vehicle Weight), with the exception of law enforcement pursuit vehicles driven by POST²⁹ certified law enforcement officers, must now be pre-approved before purchase.

State Fleet Information System Implemented

The web-based State Fleet Information System was developed in-house by the Office of Administration and implemented on July 1, 2003, saving approximately \$345,000 in system development costs.

Benefits of the information system include:

- Uniform reporting of state vehicle data from all state agencies
- Statewide fleet analysis including the ability to monitor agency compliance with the State Vehicle Policy
- Accurate and consistent count of the number of state vehicles
- Reconciliation of vehicle data with the Department of Revenue
- Improved efficiencies by generating required reports and automating the transfer of data for vehicle maintenance and repair costs
- Submission of required alternative fuel and vehicle data to the Department of Natural Resources

²⁹ Peace Officers Standards Training Program administered by the Missouri Department of Public Safety.

Appendix A

FLEET MANAGEMENT HISTORY

State Fleet Management conducts first analysis of cost to own and operate a state vehicle

Research conducted by State Fleet Management indicated that state vehicle ownership is the least costly fleet financing option at approximately \$.21 per mile³⁰ to own and operate a typical state-owned sedan.

State Fleet Management develops Trip Optimizer tool

A *Trip Optimizer* tool was developed to assist agencies in determining the most cost effective mode of travel between Amtrak, state vehicles, mileage reimbursement and rentals. The *Trip Optimizer* is a user-friendly tool available for state employees on the State Fleet Management web site at <http://www.oa.mo.gov/gs/fm/traveloptions.htm>. The user enters the number of trip days and round trip miles and the most cost effective travel option is displayed. State Fleet Management promoted the Trip Optimizer through Fleet Management Advisory Committee, Financial Management Advisory Committee and the State Purchasing Committee.

³⁰ FY'03 cost to own a operate a sedan. FY'04 cost is available on page 24.

Appendix B

FLEET MANAGEMENT STATUTES

Governor Holden signed HB 1270 and 2032 on July 11, 2002. The legislation was effective immediately.

Section 37.450 RSMo.

37.450. 1. As used in this section, the following terms shall mean:

- (1) "Commissioner", the commissioner of administration;
- (2) "Fleet manager", the state vehicle fleet manager created pursuant to subsection 2 of this section;
- (3) "State vehicle fleet", all vehicles used by the state or titled to the state for the purpose of conducting state business; and
- (4) "Vehicle", as defined in section 301.010, RSMo.

2. There is hereby created within the office of administration the position of state vehicle fleet manager. The fleet manager shall be appointed by the commissioner of administration pursuant to the provisions of chapter 36, RSMo.

3. The fleet manager shall institute and supervise a state fleet vehicle tracking system in which the cost of owning and operating each state vehicle is documented by the agency owning the vehicle. All state agencies shall report the purchase and the sale of any vehicle to the fleet manager and provide any additional information requested by the fleet manager in the format, manner and frequency determined by the office of administration. The fleet manager shall have the authority to suspend any agency's use of its credits established pursuant to section 37.452 if the agency does not comply with the requirements of this section or section 307.402, RSMo, until he or she is satisfied that such compliance is achieved.

4. The fleet manager shall submit an annual report to the speaker of the House of Representatives, the president pro tempore of the senate and the governor before January thirty-first of each year. The fleet manager's report shall consist of the status of the state vehicle fleet and any recommendations for improvements and changes necessary for more efficient management of the fleet.

5. The office of administration shall establish guidelines for determining the most cost-effective and reasonable mode of travel under the circumstances for single trips from the following options: passenger rail, vehicle rental, fleet checkout and reimbursement for personal car use.

6. The commissioner shall issue policies governing the acquisition, assignment, use, replacement and maintenance of state-owned vehicles.

Appendix B

FLEET MANAGEMENT STATUTES

7. Each agency shall pay a state vehicle fleet fee, as determined by the office of administration, for each vehicle it owns for the purpose of funding the state fleet vehicle tracking system and for other administrative expenses incurred in management of the state vehicle fleet. Any agency that owns at least one thousand vehicles shall receive a credit against the state vehicle fleet fee for the internal fleet management services performed by such agency provided such agency furnishes all information required by the fleet manager.

8. State agencies shall be responsible for ensuring that state vehicles are used only for state business and not for private purposes.

Section 37.452 RSMo.

37.452. Provisions of section 37.090 notwithstanding, all proceeds generated by the sale of a surplus vehicle, except proceeds generated from the department of transportation, the department of conservation, the Missouri state highway patrol and all state colleges and universities may be deposited in the state treasury to the credit of the office of administration revolving administrative trust fund and credited to the state agency owning the vehicle at the time of sale. Upon appropriation, moneys credited to agencies from the sale of surplus state fleet vehicles shall be used solely for the purchase of vehicles for the respective agency.



STATE OF MISSOURI ADMINISTRATIVE POLICY

POLICY TITLE: State Vehicles	AUTHORIZED BY:
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ISSUED: January 2002	REVISED: February 1, 2004

I. GENERAL STATEMENT

The purpose of the State Vehicle Policy is to ensure vehicles under the control of the state of Missouri are acquired, assigned, utilized, replaced and maintained in the most efficient and effective manner to conduct state business.

State vehicles shall be used for official business only, in accordance with Section 301.260 RSMo. The State Vehicle Policy shall further govern the usage of state vehicles. Agencies may adopt additional policies provided they do not conflict with the provisions of this policy.

This policy applies to all state agencies or other unit of the executive branch of state government.

Definitions

“State vehicle” means any licensed motor vehicle owned, rented, borrowed, or leased by the State of Missouri and used primarily to transport people or property over roads, highways or state property. Rental vehicles are considered state vehicles when rented by a duly authorized employee and while used for official state business.

“Official state business” or “state business” means any activity conducted in conformance to these rules and directed and controlled by a state agency to advance the lawful policies and purposes of the agency.

“Operator” means any authorized state employee, elected official, appointee or other individual as provided by law, who is in control of a state vehicle and who possesses a valid drivers license for the type of vehicle operated.

“Authorized passenger(s),” means state employees or other individuals involved in the conduct of state business.

“Agency” means a state department, office, board, bureau, commission or other unit of the executive branch of state government.

“Specialty use vehicle” means state vehicles especially equipped for a specific function or purpose.

“Commuting,” means the authorized use of state vehicles by state officers or employees for the purpose of traveling between the employee’s official workstation and residence. Commuting shall be of two types:



STATE OF MISSOURI ADMINISTRATIVE POLICY

POLICY TITLE: State Vehicles	AUTHORIZED BY:
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“Exempt commuting,” means that the employee is exempted from federal and state taxation reporting requirements. Included is “De minimis” use and work related use of a “Qualified non personal use vehicle” as defined by this policy.

“Reportable commuting,” means that the employee is subject to federal and state taxation reporting requirements.

“Qualified non-personal use vehicle” is any vehicle the employee is not likely to use more than minimally for personal purposes because of its design including but not limited to:

- Clearly marked police and fire vehicles
- Unmarked law enforcement vehicles when used for authorized purposes by a full time law enforcement officer
- Delivery trucks with seating for only the driver
- Flatbed, dump and garbage trucks
- School and passenger buses with over a 20-person capacity
- Ambulances
- Specialized utility repair trucks
- Pickup trucks or vans with a gross vehicle weight rating of 14,000 pounds or less are also considered to be qualified non personal use vehicles if they are modified with permanently affixed state agency decals or insignia and meet one of the following requirements:

Pickup Trucks must be equipped with at least one of the following:

- a) A hydraulic lift gate
- b) Permanent tanks or drums
- c) Permanent side boards or panels that materially raise the level of the sides of the truck bed
- d) Other heavy equipment

Vans must be equipped with one of the following:

- a) Permanent shelving that fills most of the cargo area
- b) An open cargo area and the van always carries material or equipment used for state business

“De minimis” means the personal use of a state vehicle that is of so small a value that accounting for it would be unreasonable or administratively impractical. De minimis personal use does not include unauthorized use as defined in Section F: Vehicle Usage of this policy.



STATE OF MISSOURI ADMINISTRATIVE POLICY

POLICY TITLE: State Vehicles		AUTHORIZED BY:	
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II. GUIDELINES AND PROCEDURES

A. Vehicle Records

1. All state vehicles owned by the state must be properly titled and licensed with the Missouri Department of Revenue.
2. To the extent possible, all direct costs of owning and operating state vehicles must be fully documented, including original purchase price, sale price, fuel, maintenance, and other expenses.
3. Vehicle usage logs must be maintained for each state vehicle and include the following information: name of driver, date(s) used, beginning and ending odometer readings, destination and purpose of use.
4. Appropriate managerial review of vehicle cost and use information should be conducted on a regular basis.

B. Vehicle Acquisition

1. In lieu of new or used vehicle purchases, agencies should first review utilization of existing vehicles to determine if vehicle reassignments would meet agency needs.
2. The State Fleet Manager must pre-approve all purchases of state vehicles with a Gross Vehicle Weight Rating less than 8,500 pounds with the exception of law enforcement pursuit vehicles operated by POST (Peace Officer Standards and Training Program) certified law enforcement officers. Prior to ordering vehicles, agencies shall submit order information in a format determined by the State Fleet Manager for review.
3. The expansion of agency vehicle fleets requires approval by the State Fleet Manager. Agencies must demonstrate a compelling need for expansion vehicles and that existing agency vehicles are utilized according to minimum utilization requirements outlined in this policy.
4. All state vehicles shall be purchased in accordance with Chapter 34, RSMo or other controlling statutes.



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5. Agencies shall comply with Section 414.410 RSMo establishing requirements for the acquisition of alternative fuel vehicles.
6. Agencies shall acquire vehicles consistent with budgetary intent.
7. Subject to availability of funds, replacement vehicles may only be purchased if current vehicles are being used according to minimum mileage requirements and it can be demonstrated that the:
 - a. Vehicle to be replaced was destroyed,
 - b. Cost to repair a damage vehicle is deemed uneconomical and the state's interest's would be better served by disposing of the vehicle rather than repairing it; or
 - c. Vehicle's age and/or mileage have rendered the vehicle in such condition that it cannot reliably, safely and/or economically serve its intended purpose or be used in a reasonable alternative capacity; or
 - d. Passenger vehicle to be replaced has reached a minimum of 7 years of age or 105,000 miles (whichever comes first). Passenger vehicles include sedans, station wagons, sport utility vehicles, light duty pickup trucks and minivans under 8,500 GVWR. Specialty use vehicles are exempt from these criteria.

C. Vehicle Maintenance

1. At a minimum, agencies should follow the manufacturer's recommended maintenance schedule for each vehicle.
2. Each agency must have a vehicle preventative maintenance policy listing the required maintenance activities for each class of vehicle the agency owns. Agencies may elect to follow the preventative maintenance schedules contained in Appendix A.
3. All maintenance and repairs performed on state vehicles must be documented and retained for the life of the vehicle.
4. The Office of Administration Vehicle Maintenance facility or other authorized state maintenance facility shall coordinate all repairs and maintenance on state vehicles owned by the state and primarily stationed in the Jefferson City area. Subject to agency policy, emergency repairs to these vehicles may be performed by another repair facility when the breakdown occurs outside the Jefferson City area. The OA Vehicle Maintenance Facility may issue waivers for specific vehicles, vehicle types and/or for certain repairs.



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D. Vehicle Assignment

1. Permanently assigned vehicles are dedicated to a single job function or individual based on travel needs for a semi-permanent time period. State vehicles shall not be permanently assigned unless they are assigned to:
 - a. An individual traveling more than 15,000 miles per year in the conduct of state business; or
 - b. Job functions/employees requiring specialty use vehicles; or
 - c. Job functions requiring frequent transportation in the performance of specific duties (e.g. mail, delivery, facility support vehicles, etc.); or
 - d. A person specifically identified by a department director or agency head. The department director or agency head must determine there is a compelling benefit to the state and document in writing that they support and approve of the assignment.
2. Pool vehicles are general use vehicles available for temporary assignment to multiple individuals.
 - a. Pool vehicles should average at least 15,000 miles per year.
 - b. Pool vehicles should be used when available and where more cost effective than other options.

E. Commuting in State Vehicles

1. State vehicles may not be used in a commuting capacity solely by virtue of an employee's position or for non-de minimis personal benefit as defined by the Internal Revenue Service.
2. Exempt commuting shall not be allowable in state vehicles unless:
 - a. The employee works from his/her home and the agency head has determined that it is unreasonable for the employee to pick up and drop off the vehicle each day, or;



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- b. The employee is subject to 24-hour call and must operate a qualified non-personal use vehicle.
 - c. It occurs in conjunction with official travel and is considered occasional and de minimis.
3. Reportable commuting where there is a compelling benefit to the state may only be permitted upon the recommendation of a department director or agency head and subsequent approval from the State Fleet Manager. Department directors and agency heads may not delegate this responsibility. State agencies must send a completed *Commuting Authorization Request Form* signed by the department director or agency head to the State Fleet Manager for approval.

F. Vehicle Usage

1. State vehicles shall be operated only for the performance of state business in accordance with Section 301.260 RSMo.
2. The operator of a state vehicle must be a state employee, elected official, appointee or other individual as provided by law, who possesses a valid drivers license for the type of vehicle operated. Contractors conducting state business may operate state vehicles provided they adequately indemnify the State of Missouri.
3. Only authorized passengers are permitted to ride in state vehicles. Non-state individuals such as volunteers, spouses, and children should not be passengers in a state vehicle unless they are involved in the conduct of business.
4. State vehicles are highly visible to the public and their use is scrutinized. Thus, poor driving manners and inappropriate use reflect on all state employees. Operators must exercise the highest degree of prudence and courtesy. The following are responsibilities of the operator while driving state vehicles or private vehicles on state business:
 - a. All occupants shall use safety restraints where equipped.
 - b. Established speed limits and all other traffic regulations must be followed. Parking and moving violation citations are the personal responsibility of the individual operating the vehicle at the time of the violation.



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- c. Consumption of alcohol or use of illegal drugs is prohibited. Further, operators must not drive while under the influence of alcohol, illegal drugs or any other substance that impairs their ability to drive. Transportation of alcohol in state vehicles is prohibited except when necessary in the conduct of state business.
- d. Use of tobacco products is prohibited in state vehicles.

State vehicles shall be used for state business only. Some examples of unauthorized use are:

- e. Travel to entertainment facilities.
- f. Sightseeing or trips for personal pleasure unless the trip is part of the official agenda for a business conference.
- g. Transporting family members, dependents or friends to school, daycare, medical appointments, social events or other personal activities.
- h. Conducting other personal business.

However, it is permissible to use a state vehicle for travel to meals or to attend to other necessities of the operator or authorized passenger when away from their official domicile on state business.

- 5. Agencies shall investigate complaints for alleged improper operation or use of a state vehicle. The operator may be subject to disciplinary action if the complaint is verified.
- 6. Liability to other persons (bodily injury and property damage) due to employee negligence in the operation of a state vehicle will be covered by the state, provided the employee was operating the vehicle while conducting state business. The operator assumes full responsibility for bodily injury and damages to the vehicle and/or third party damages if an accident occurs during any unauthorized use of a state vehicle.
- 7. Personal property in state vehicles is not insured for loss or damage by the state. Coverage for these items may be provided by the employee's personal insurance.



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8. Agencies should investigate accidents involving state vehicles in an effort to avoid reoccurrence. Employees found to have operated a vehicle in a careless manner or in violation of state law or departmental policy or procedures may be subject to disciplinary action.
9. State vehicles should not be used for out-of-state travel, unless specifically authorized by the agency.
10. Animals are not allowed in state vehicles unless they are transported in the conduct of state business or are required by a passenger's disability.

G. Safety

1. Vehicle operations:
 - a. Operators of state vehicles or private vehicles on state business must adhere to applicable traffic laws and should operate the vehicle in a safe and attentive manner. The operator should avoid activity that may hinder safe operations such as inappropriate use of a cell phone; eating or reading while driving; and any other activity that may hinder the driver's attentiveness.
 - b. Vehicle operators should follow the *Cellular Phone Usage Guidelines* contained in Appendix B.

2. Motor vehicle safety inspections:

At a minimum, all state vehicles owned by the state shall receive inspections in accordance with Section 307.350 RSMo and Section 643.315 RSMo.



STATE OF MISSOURI ADMINISTRATIVE POLICY

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APPENDIX A

Preventative Maintenance Schedule

Day to Day:

1. Walk around the vehicle each day visually checking for body damage, lost/stolen license tags, tire condition and air pressures.
2. Check all under hood fluid levels at least every other fuel fill up.

Service Level I (5,000 miles or 3,000 miles for heavy-use vehicles):

1. The engine oil is to be drained from the crankcase and replaced with new quality energy conserving motor oil.
2. The oil filter is to be replaced with a new one that meets or exceeds the manufacturer's recommendations.
3. The air filter is to be cleaned or replaced.
4. The upper/lower ball joints and steering linkage is to be lubricated and inspected.
5. The tires are to be checked for proper air pressure and rotated according to the pattern set forth in the vehicle owner's manual.
6. A visual inspection for leakage, deterioration, or abnormal wear is to be made on the following components: drive belt(s), radiator and heater hoses, shock absorbers and/or McPherson struts, exhaust system, windshield wipers.
7. A check of all fluid levels, including but not limited to radiator, power steering, brake, transmission and windshield washer. Levels are to be topped off where necessary.
8. All running and turning lights will be checked and corrected if needed.

Service Level II (25,000 miles or 18,000 miles for heavy-use vehicles):

1. All items contained in Service Level I.
2. A "wheels off" inspection of all four brakes and components.
3. Rear wheel bearings are to be cleaned, inspected and repacked with a quality energy conserving grease.
4. Replace the air filter, fuel filter, PCV valve and spark plugs. The parts used are to meet or exceed the manufacturer's recommendations.
5. Change transmission fluid and filter.



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APPENDIX B

Safe Driving Practices

Cellular Telephone Usage Guidelines While Driving

Cellular telephone use is quickly expanding for employers during business travel. While the availability of cellular phones on the roadway has benefited in emergency calls, reporting congestion, etc., driver inattention and distraction has been implicated in some traffic accidents. Studies suggest that drivers who use car phones increase the risk of an accident. To improve the safety of employees, passengers and the public, driving guidelines have been developed for the use of cellular phones in vehicles.

- Always practice safe driving by buckling up, keeping your hands on the wheel and your eyes on the road.
- Be familiar with your cell phone features such as speed-dial and redial.
- Position your phone where it is easy to see and reach.
- Hands-free microphones are suggested while driving.
- Alert the person that you are speaking with that you are operating a vehicle.
- Use the manual dialing option only when stopped at a stoplight or pull off of the roadway.
- Ask the passenger to make the call for you.
- Use the speed-dialing feature for frequently called numbers.
- Allow your voice mail to pick up your calls when it is unsafe to answer the car phone.
- Do not use the cellular phone in distracting traffic conditions.
- Cease the use of cellular phone conversations during hazardous situations such as bad weather conditions or congested traffic.
- Never take notes while driving, pull off the road if you must write.
- Do not engage in stressful or emotional conversation while driving.
- Keep conversations brief and limited to business discussion.
- End the call without warning if the traffic situation warrants it.
- Stay in the slow lane while talking and do not pass other vehicles. Keep your driving maneuvers simple.
- If you see an emergency situation, pull to the side of the road to make the call to request assistance.



STATE OF MISSOURI ADMINISTRATIVE POLICY

POLICY TITLE: State Vehicles	AUTHORIZED BY:
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ISSUED: January 2002	REVISED: February 1, 2004

Remember: safe driving is your first priority. Always assess the traffic conditions.
Use the cellular phone when it is safe and convenient.

For more information on the safety of wireless communications in vehicles, visit the
National Highway Traffic Safety Administration's website at
www.nhtsa.dot.gov/people/injury/research/wireless/c6.htm.

Appendix D: State College And Universities

LICENSED VEHICLE COUNT

Vehicle counts for four year and two-year state colleges and universities are listed below. This data was supplied by the Department of Higher Education.³¹

Agency	Number of Vehicles
Central	161
Harris-Stowe	7
Lincoln	78
Missouri Southern	35
Missouri Western	39
Northwest	156
Southeast	181
Southwest	146
Truman	49
University of Missouri	1,236
Crowder College	29
East Central	3
Jefferson	31
Metropolitan	43
Mineral Area	32
Moberly	14
North Central	15
Ozarks Technical	3
St. Charles	5
St. Louis	65
State Fair	10
Three Rivers	15
Linn State	96
<i>TOTAL</i>	<i>2,449</i>

³¹ Data provided by the Department of Higher Education on 1/5/05. Data was missing for Lincoln University and Mineral Area. Data count for Lincoln University was taken from vehicle listing submitted by LU on 1/28/05. Mineral Area vehicle count is the 2003 count.

Appendix E:

STATE VEHICLE CLASSIFICATIONS

Below are the primary assignment and primary purpose table values that state agencies are required to use to categorize state vehicles in the State Fleet Information System. A complete set of table values is available at:

<http://www.oa.mo.gov/gs/fm/tablevalues.htm>

Primary Assignment	Definition
Pool Vehicle	General use vehicle to transport agency staff that is available for temporary assignment to multiple individuals.
Assigned-Individual	Vehicle permanently assigned to a single individual. Does not include task specific vehicles. .
Assigned-Function	Includes: <ul style="list-style-type: none"> • Vehicles primarily used for client transportation • Vehicles identified in the task specific vehicle table • May also include vehicles where primary purpose is equal to special purpose.
Primary Purpose	Definition
Task Specific Vehicle	“Task Specific Vehicles” do not have permanent major equipment modifications and are assigned to and primarily used for one specific activity or purpose. Vehicles in this category must have justifiable reasons why they cannot be used in other applications. They are only the task values included in the secondary purpose table. Examples may include: <ul style="list-style-type: none"> • A cargo van used in food service and any other use is prohibited • Vehicles operating on state grounds or in limited geographic areas such as delivery or facility support vehicles • Vehicles that haul large or multiple pieces of equipment/tools where it is impractical to remove the equipment after each use therefore making the vehicle unavailable in other applications.
Special Purpose Vehicle	“Special Purpose Vehicles” have permanent major equipment/modifications. They are only the special purpose values included in the secondary purpose table. .
Employee Transportation	Vehicles without permanent major equipment modifications primarily used in the transportation of agency employees.
Client Transportation	Vehicles without permanent major equipment modifications primarily used in the transportation of clients. Examples include: Department of Elementary & Secondary Education students, Department of Mental Health consumers, Department of Social Services clients, Missouri Veteran’s Homes patient transportation and other similar use vehicles. Vehicles specially equipped for inmate transportation or handicap transport are not included.